

# Title 25 Reform: Proposed Bill Draft for Community MHSA Payment Reform

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An ACT relating to Title 25 and the Mental Health and Substance Use treatment programs in the Behavioral Health Division; amending sections of Title 25; providing direction to the department of health for the reform and redesign of mental health and substance use treatment programs; creating a pay for performance program; creating an indigent mental health and substance use benefit plan; and providing for an effective date.

*Be It Enacted by the Legislature of the State of Wyoming:*

**Section 1.** W.S. 35-1-624(a) (v) is repealed.

**Section 2.** The department of health shall proceed with a reform and redesign of the State-funded mental health and substance use treatment programs to include the following elements:

(a) Base payments for community mental health and substance use centers;

(b) A pay for performance program for high need mental health and substance use clients that rewards providers for achieving outcomes, as determined by the department. Payments shall be awarded to providers based on client outcomes that support independence and self-reliance. Outcomes to be established by the department shall include but are not limited to:

- (i) Prevention of psychiatric hospitalization;
- (ii) Competitive and integrated employment, consistent with provisions outlined in W.S. 9-2-1002;
- (iii) Independent housing.

Individuals served in the pay for performance program who are committed to the Wyoming State Hospital under W.S. §25-10-110 shall continue to have their care coordinated by the entity responsible for their care in the pay for performance program. This shall include, but is not limited to:

- (i) Discharge planning performed in conjunction with the Wyoming State Hospital or designated hospitals;
- (ii) Testimony at hearings conducted under W.S. 25-10-109 through 110.

(c) A mental health and substance use treatment services benefit plan for priority populations, as established by the department. The

department shall establish a method of reimbursing providers that collects sufficient data to support actuarially sound projections of utilization and costs to be used for future community mental health and substance use system improvements.

**Section 3.** In order to implement the reforms in Section 3, the Department may repurpose funds from the following units: 2506 (MH Outpatient), 2507 (SA Outpatient), 2508 (MH Residential) and 2509 (SA Residential.)

**Section 4.** The department shall promulgate rules and regulations for mental health and substance use treatment programs in order to implement reforms in this act.

**\* Staff note \***

**Full amounts to be used in units:**

**2506: \$37,768,568 (MH Outpatient 17/18)**

**2507: \$17,937,864 (SA Outpatient 17/18)**

**2508: \$14,286,914 (MH Residential 17/18)**

**2509: \$25,628,370 (SA Residential 17/18)**

**Total: \$95,621,716**

**Section 5.** The department of health shall make a report by November 1, 2017 to the Joint Labor, Health, and Social Services interim committee regarding the status of the reform, as defined in section three (3) of this act, and evaluating its impacts to populations served and other systems affected by the reform.

**Section 6.** This act is effective on July 1, 2017.

**\* Staff note \***

The WDH anticipates the system reform elements outlined in this bill (e.g., pay for performance program, indigent mental health benefit, etc.) could be implemented by July 1, 2017, as noted in Section 7. However, in order to commence work in the design and development of the programs, the WDH would need authorization to begin work immediately upon passage of the bill in CY 2016 (e.g., promulgating rules and regulations, extending contracts, etc.).

**Section 7.** The department may extend existing contracts with community mental health and substance use centers, as necessary, to comply with the effective date.